

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:) Chapter 11
)
W.R. GRACE & CO., et al.,) Case No. 01-01139 (JKF)
)
) (Jointly Administered)
Debtors.)

Objection Deadline 8/25/10 @ 4⁰⁰pm

**EIGHTY-NINTH APPLICATION OF BLACKSTONE ADVISORY PARTNERS L.P.
AS FINANCIAL ADVISOR TO W.R. GRACE & CO. AND AFFILIATES FOR
COMPENSATION AND REIMBURSEMENT OF EXPENSES INCURRED
FOR THE PERIOD OF JUNE 1, 2010 THROUGH JUNE 30, 2010**

Name of Applicant: Blackstone Advisory Partners L.P.

Authorized to Provide
Professional Services to: Debtors

Date of Retention Order: June 22, 2001, effective April 2, 2001

Period for which compensation and
reimbursement is sought: June 1, 2010 through June 30, 2010

Amount of Compensation	<u>Total</u>	<u>(Holdback @ 20%)</u>
sought as actual, reasonable and necessary:	\$175,000.00	(\$35,000.00)

Amount of Expense Reimbursement	
sought as actual, reasonable and necessary:	\$5,202.91

Amount of Cash Payment Sought: \$145,202.91

This is a x monthly ___ interim ___ final application

Summary of Monthly Applications:

Date Filed	Period(s) Covered	Requested		Approved		Unapproved	Unpaid
		Fees	Expenses	Fees	Expenses	Holdback(s)	Holdbacks
07/31/01	04/02/01 – 06/30/01	\$519,166.66	7,663.95	\$519,166.66	7,663.95	\$--	\$--
08/24/01	07/01/01 – 07/31/01	175,000.00	3,504.53	175,000.00	3,504.53	--	--
10/16/01	08/01/01 – 08/31/01	175,000.00	16,124.84	175,000.00	16,124.84	--	--
11/21/01	09/01/01 – 09/30/01	175,000.00	11,846.09	175,000.00	11,846.09	--	--
11/30/01	10/01/01 – 10/31/01	175,000.00	5,042.39	175,000.00	5,042.39	--	--
01/31/02	11/01/01 – 11/30/01	175,000.00	7,477.10	175,000.00	7,477.10	--	--
01/31/02	12/01/01 – 12/31/01	175,000.00	2,133.92	175,000.00	2,133.92	--	--
03/15/02	01/01/02 – 01/31/02	175,000.00	5,140.26	175,000.00	5,140.26	--	--
04/05/02	02/01/02 – 02/28/02	175,000.00	1,719.69	175,000.00	1,719.69	--	--
05/02/02	03/01/02 – 03/31/02	175,000.00	631.92	175,000.00	631.92	--	--
07/25/02	04/01/02 – 04/30/02	175,000.00	2,736.03	175,000.00	2,736.03	--	--
08/15/02	05/01/02 – 05/31/02	175,000.00	516.61	175,000.00	516.61	--	--
08/15/02	06/01/02 – 06/30/02	175,000.00	733.20	175,000.00	733.20	--	--
11/13/02	07/01/02 – 07/31/02	175,000.00	2,603.74	175,000.00	2,603.74	--	--
11/13/02	08/01/02 – 08/31/02	175,000.00	3,547.21	175,000.00	3,547.21	--	--
11/13/02	09/01/02 – 09/30/02	175,000.00	1,611.87	175,000.00	1,611.87	--	--
02/14/03	10/01/02 – 10/31/02	175,000.00	1,848.24	175,000.00	1,848.24	--	--
02/14/03	11/01/02 – 11/30/02	175,000.00	2,109.76	175,000.00	2,109.76	--	--
02/14/03	12/01/02 – 12/31/02	175,000.00	1,570.49	175,000.00	1,570.49	--	--
03/25/04	01/01/03 – 12/31/03	525,000.00	10,063.83	525,000.00	10,063.83	--	--
08/17/04	01/01/04 – 06/30/04	525,000.00	2,833.02	525,000.00	2,833.02	--	--
11/15/04	07/01/04 – 09/30/04	525,000.00	22,158.70	525,000.00	22,158.70	--	--
11/24/04	10/01/04 – 10/31/04	175,000.00	3,635.27	175,000.00	3,635.27	--	--
01/24/05	11/01/04 – 11/30/04	175,000.00	4,369.47	175,000.00	4,369.47	--	--
01/24/05	12/01/04 – 12/31/04	175,000.00	1,129.94	175,000.00	1,129.94	--	--
03/07/05	01/01/05 – 01/31/05	175,000.00	2,347.64	175,000.00	2,347.64	--	--
05/19/05	02/01/05 – 02/28/05	175,000.00	742.42	175,000.00	742.42	--	--
05/19/05	03/01/05 – 03/31/05	175,000.00	1,106.33	175,000.00	1,106.33	--	--
08/26/05	04/01/05 – 04/30/05	100,000.00	3,082.08	100,000.00	3,082.08	--	--
08/26/05	05/01/05 – 05/31/05	50,000.00	1,709.38	50,000.00	1,709.38	--	--
08/26/05	06/01/05 – 06/30/05	50,000.00	2,917.10	50,000.00	2,917.10	--	--
05/10/06	07/01/05 – 07/31/05	75,000.00	2,289.24	75,000.00	2,289.24	--	--
05/10/06	08/01/05 – 08/31/05	50,000.00	2,304.36	50,000.00	2,304.36	--	--
05/10/06	09/01/05 – 09/30/05	25,000.00	679.00	25,000.00	679.00	--	--
06/21/06	10/01/05 – 10/31/05	100,000.00	786.97	100,000.00	786.97	--	--
06/21/06	11/01/05 – 11/30/05	100,000.00	1,854.08	100,000.00	1,854.08	--	--
06/21/06	12/01/05 – 12/31/05	100,000.00	488.35	100,000.00	488.35	--	--
07/25/06	01/01/06 – 01/31/06	50,000.00	1,369.41	50,000.00	1,369.41	--	--
07/25/06	02/01/06 – 02/28/06	100,000.00	560.94	100,000.00	560.94	--	--
07/25/06	03/01/06 – 03/31/06	100,000.00	1,273.41	100,000.00	1,273.41	--	--
09/21/06	04/01/06 – 04/30/06	75,000.00	208.81	75,000.00	208.81	--	--
09/21/06	05/01/06 – 05/31/06	100,000.00	1,660.26	100,000.00	1,660.26	--	--
09/21/06	06/01/06 – 06/30/06	125,000.00	2,155.45	125,000.00	2,155.45	--	--
10/18/06	07/01/06 – 07/31/06	125,000.00	4,794.17	125,000.00	4,794.17	--	--
11/30/06	08/01/06 – 08/31/06	75,000.00	1,665.99	75,000.00	1,665.99	--	--
11/30/06	09/01/06 – 09/30/06	75,000.00	995.60	75,000.00	995.60	--	--
02/28/07	10/01/06 – 10/31/06	100,000.00	704.00	100,000.00	704.00	--	--
02/28/07	11/01/06 – 11/30/06	175,000.00	1,104.42	175,000.00	1,104.42	--	--
02/28/07	12/01/06 – 12/31/06	150,000.00	1,509.61	150,000.00	1,509.61	--	--

Date Filed	Period(s) Covered	Requested		Approved		Unapproved	Unpaid
		Fees	Expenses	Fees	Expenses	Holdback(s)	Holdbacks
04/10/07	01/01/07 – 01/31/07	100,000.00	5,412.84	100,000.00	5,412.84	--	--
06/29/07	02/28/07 – 02/28/07	100,000.00	1,260.82	100,000.00	1,260.82	--	--
06/29/07	03/01/07 – 03/31/07	100,000.00	535.30	100,000.00	535.30	--	--
09/20/07	04/01/07 – 04/30/07	100,000.00	3,145.97	100,000.00	3,145.97	--	--
09/20/07	05/01/07 – 05/31/07	125,000.00	148.40	125,000.00	148.40	--	--
09/20/07	06/01/07 – 06/30/07	125,000.00	584.53	125,000.00	584.53	--	--
11/19/07	07/01/07 – 07/31/07	125,000.00	786.94	125,000.00	786.94	--	--
11/19/07	08/01/07 – 08/31/07	--	997.55	--	997.55	--	--
11/19/07	09/01/07 – 09/30/07	75,000.00	585.59	75,000.00	585.59	--	--
03/13/08	10/01/07 – 10/31/07	100,000.00	1,518.85	100,000.00	1,518.85	--	--
03/13/08	11/01/07 – 11/30/07	75,000.00	241.73	75,000.00	241.73	--	--
03/13/08	12/01/07 – 12/31/07	50,000.00	270.44	50,000.00	270.44	--	--
05/22/08	01/01/08 – 01/31/08	100,000.00	2,618.39	100,000.00	2,618.39	--	--
05/22/08	02/01/08 – 02/29/08	150,000.00	377.34	150,000.00	377.34	--	--
05/22/08	03/01/08 – 03/31/08	75,000.00	1,468.54	75,000.00	1,468.54	--	--
10/16/08	04/01/08 – 04/30/08	150,000.00	370.04	150,000.00	370.04	--	--
10/16/08	05/01/08 – 05/31/08	125,000.00	868.61	125,000.00	868.61	--	--
10/16/08	06/01/08 – 06/30/08	175,000.00	7,178.80	175,000.00	7,178.80	--	--
01/09/09	07/01/08 – 07/31/08	175,000.00	1,507.33	175,000.00	1,507.33	--	--
01/09/09	08/01/08 – 08/31/08	175,000.00	3,482.81	175,000.00	3,482.81	--	--
01/09/09	09/01/08 – 09/30/08	175,000.00	7,491.74	175,000.00	7,491.74	--	--
01/09/09	10/01/08 – 10/31/08	150,000.00	3,166.54	120,000.00	3,166.54	--	--
04/20/09	11/01/08 – 11/30/08	75,000.00	3,762.45	75,000.00	3,762.45	--	--
04/20/09	12/01/08 – 12/31/08	75,000.00	4,251.05	75,000.00	4,251.05	--	--
07/06/09	01/01/09 – 01/31/09	75,000.00	407.84	75,000.00	407.84	--	--
07/06/09	02/01/09 – 02/28/09	175,000.00	840.67	175,000.00	840.67	--	--
07/06/09	03/01/09 – 03/31/09	150,000.00	1,515.13	150,000.00	1,515.13	--	--
09/03/09	04/01/09 – 04/30/09	150,000.00	1,757.02	150,000.00	1,757.02	--	30,000.00
09/03/09	05/01/09 – 05/31/09	175,000.00	4,503.06	175,000.00	1,515.13	--	--
09/03/09	06/01/09 – 06/30/09	175,000.00	4,246.49	140,000.00	4,246.49	--	--
12/14/09	07/01/09 – 07/31/09	175,000.00	10,766.12	140,000.00	10,766.12	--	--
12/14/09	08/01/09 – 08/31/09	175,000.00	2,367.44	140,000.00	2,367.44	--	--
12/14/09	09/01/09 – 09/30/09	100,000.00	3,953.33	80,000.00	3,953.33	--	--
12/15/09	10/01/09 – 10/31/09	100,000.00	1,354.62	80,000.00	1,354.62	--	20,000.00
--	11/01/09 – 11/30/09	--	--	--	--	--	--
02/12/10	12/01/09 – 12/31/09	100,000.00	1,839.20	80,000.00	1,839.20	--	20,000.00
03/12/10	01/01/10 – 01/31/10	150,000.00	1,633.77	120,000.00	1,633.77	30,000.00	--
--	02/01/10 – 02/28/10	--	--	--	--	--	--
04/29/10	03/01/10 – 03/31/10	175,000.00	4,238.44	140,000.00	4,238.44	35,000.00	--
05/28/10	04/01/10 – 04/30/10	175,000.00	4,575.58	140,000.00	4,575.58	35,000.00	--
06/25/10	05/01/10 – 05/31/10	175,000.00	7,750.24	140,000.00	7,750.24	35,000.00	--

Blackstone Advisory Partners L.P.

August 5, 2010

Mr. Fred Festa
 Chairman, President and Chief Executive Officer
 W.R. Grace & Co.
 7500 Grace Drive
 Columbia, Maryland 21044

Monthly advisory fee for the period of June 1, 2010 through June 30, 2010:	\$	175,000.00
Less: 20% holdback pursuant to the Court's Administrative Order		(35,000.00)

Out-of-pocket expenses processed for the period through June 30, 2010:⁽¹⁾

Airfare	\$	595.40	
Ground Transportation		2,226.42	
Communication		45.00	
Meals		648.50	
Lodging		207.93	
Research		1,479.66	
			<u>5,202.91</u>
Total Amount Due	\$		<u>145,202.91</u>

Please wire transfer funds to:

JP Morgan Chase
 One Chase Manhattan Plaza
 New York, NY 10017
 ABA# 021 000 021
 Credit Account: Blackstone Advisory Partners L.P.
 Account Receivable Dept. 16th Floor
 Account # 066-287472

Invoice Number: 48586

⁽¹⁾ Expenses incurred, but not yet processed due to timing differences will be billed at a later date.

Blackstone Advisory Partners L.P.
 345 Park Avenue
 New York, NY 10154
 212 583-5000

W.R. Grace & Co.
Summary of Expenses
Through June 30, 2010
Invoice No. 48586

	GL Detail Jun-10	Total Expenses
Airfare	\$ 595.40	\$ 595.40
Ground Transportation - Car Service - Elite	76.95	76.95
Ground Transportation - Local Travel	419.34	419.34
Ground Transportation - Out of Town Travel	84.13	84.13
Ground Transportation - Railroad	1,646.00	1,646.00
Communications - Messenger - Other	45.00	45.00
Employee Meals	648.50	648.50
Lodging	207.93	207.93
External Research - Dow Jones	940.60	940.60
External Research - Reuters	539.06	539.06
	\$ 5,202.91	\$ 5,202.91
Airfare		\$ 595.40
Ground Transportation		2,226.42
Communication		45.00
Meals		648.50
Lodging		207.93
Research		1,479.66
 Total Expenses		 \$ 5,202.91

W.R. Grace & Co.
Detail of Expenses Processed
Through June 30, 2010
Invoice No. 48586

Airfare

Bonanno (travel agency fee for booking of round trip flight to/from Washington, DC from/to Queens, NY on 05/24/10)	05/21/10	40.00	
Bonanno (round trip coach class flight to/from Washington, DC from/to Queens, NY)	05/24/10	555.40	
	Subtotal - Airfare		\$ 595.40

Ground Transportation - Car Service - Elite

Bradley (car home from LaGuardia Airport in Queens, NY)	05/20/10	76.95	
	Subtotal - Ground Transportation - Car Service - Elite		76.95

Ground Transportation - Local Travel

Bradley (weeknight taxi home from client dinner meeting in New York, NY)	04/27/10	11.88	
Bradley (taxi to New York Penn Station from home)	05/24/10	10.80	
Bradley (taxi home from New York Penn Station)	05/24/10	11.10	
Yamamoto (weekend taxi to Blackstone from home)	05/15/10	9.80	
Yamamoto (weekend taxi home from Blackstone)	05/15/10	10.80	
Yamamoto (taxi to New York Penn Station from home)	05/20/10	6.60	
Yamamoto (taxi to New York Penn Station from home)	05/21/10	5.25	
Yamamoto (taxi home from airport in Queens, NY)	05/21/10	47.58	
Yamamoto (taxi home from New York Penn Station)	05/22/10	5.37	
Yamamoto (taxi to New York Penn Station from home)	05/24/10	12.65	
Yamamoto (taxi home from airport in Queens, NY)	05/24/10	6.70	
Bonanno (early morning taxi to Blackstone with luggage from home for later flight to Baltimore, MD)	04/19/10	14.90	
Bonanno (early morning taxi to Blackstone with luggage from home for later flight to Baltimore, MD)	04/22/10	12.72	
Bonanno (taxi home from New York Penn Station)	04/23/10	9.00	
Bonanno (weeknight taxi home from Blackstone after working late)	05/20/10	11.28	
Pikula (weeknight taxi home from Blackstone after working late)	04/19/10	9.30	
Pikula (weeknight taxi home from Blackstone after working late)	04/20/10	8.70	
Pikula (weeknight taxi home from Blackstone after working late)	04/21/10	9.30	
Pikula (weeknight taxi home from Blackstone after working late)	04/22/10	8.70	
Pikula (taxi to Blackstone from New York Penn Station)	04/23/10	12.50	
Pikula (weekend taxi to Blackstone from home)	04/24/10	10.10	
Pikula (weekend taxi home from Blackstone)	04/24/10	8.25	
Pikula (weekend taxi to Blackstone from home)	04/25/10	8.16	
Pikula (weekend taxi home from Blackstone)	04/25/10	8.16	
Pikula (weekend taxi for return travel to Blackstone from home)	04/25/10	7.75	
Pikula (weeknight taxi home from Blackstone after working late)	04/26/10	9.70	
Pikula (weeknight taxi home from Blackstone after working late)	04/27/10	9.30	
Pikula (weeknight taxi home from Blackstone after working late)	04/29/10	9.30	
Pikula (weeknight taxi home from Blackstone after working late)	04/30/10	8.90	
Pikula (weekend taxi home from Blackstone)	05/01/10	10.80	
Pikula (weekend taxi for return travel to Blackstone from home)	05/01/10	9.36	
Pikula (weekend taxi home from Blackstone)	05/02/10	9.20	
Pikula (weeknight taxi home from Blackstone after working late)	05/03/10	15.10	
Pikula (weeknight taxi home from Blackstone after working late)	05/04/10	15.00	
Pikula (weeknight taxi home from Blackstone after working late)	05/05/10	10.87	
Sperling (weeknight taxi home from Blackstone after working late)	06/23/10	10.50	
Sperling (weeknight taxi home from Blackstone after working late)	06/24/10	12.96	
Sperling (weeknight taxi home from Blackstone after working late)	06/25/10	11.00	
	Subtotal - Ground Transportation - Local Travel		419.34

Ground Transportation - Out of Town Travel

Yamamoto (taxi to client meeting from train station in Boston, MA)	05/20/10	20.00	
Yamamoto (taxi to client meeting in Cambridge, MA from train station in Boston, MA)	05/20/10	64.13	
	Subtotal - Ground Transportation - Out of Town Travel		84.13

Ground Transportation - Railroad

Bonanno (travel agency fee for booking of round trip flight to/from Baltimore, MD from/to New York, NY on 04/22 & 04/23/10)	04/21/10	40.00	
Bonanno (round trip train travel to/from Baltimore, MD from/to New York, NY)	04/22/10 - 04/23/10	432.00	
Lambert (round trip train travel to/from Baltimore, MD from/to New York, NY)	06/23/10	378.00	
O'Connell (round trip train travel to/from Baltimore, MD from/to New York, NY)	06/23/10	378.00	
Sperling (travel agency fee for booking of round trip flight to/from Baltimore, MD from/to New York, NY on 06/23/10)	06/22/10	40.00	
Sperling (round trip train travel to/from Baltimore, MD from/to New York, NY)	06/23/10	378.00	
	Subtotal - Ground Transportation - Railroad		1,646.00

Communications - Messenger - Other

Wu	05/21/10	45.00	
	Subtotal - Communications - Messenger - Other		45.00

Employee Meals

Yamamoto (1 weeknight working dinner meal @ Blackstone while working late)	05/12/10	23.23	
Yamamoto (1 weeknight working dinner meal @ Blackstone while working late)	05/25/10	23.23	
Yamamoto (1 weeknight working dinner meal @ Blackstone while working late)	05/27/10	23.23	
Bonanno (1 working dinner meal while in Baltimore, MD)	04/22/10	50.00	
Bonanno (1 working breakfast meal while in Baltimore, MD)	04/23/10	12.32	
Bonanno (1 working lunch meal while in Baltimore, MD)	04/23/10	13.64	
Bradley (1 working lunch meal while in Baltimore, MD)	04/23/10	8.04	
Lambert (1 working lunch meal while in Baltimore, MD)	06/23/10	25.83	
O'Connell (1 working dinner meal while in Baltimore, MD)	04/22/10	50.00	
O'Connell (1 working lunch meal while in Baltimore, MD)	06/23/10	25.85	
Pikula (1 weeknight working dinner meal @ Blackstone while working late)	04/19/10	25.00	
Pikula (1 weeknight working dinner meal @ Blackstone while working late)	04/20/10	24.33	
Pikula (1 weeknight working dinner meal @ Blackstone while working late)	04/21/10	25.00	

Pikula (1 weeknight working dinner meal @ Blackstone while working late)	04/22/10	7.24	
Pikula (1 working breakfast meal while traveling)	04/23/10	4.75	
Pikula (1 working lunch meal while traveling)	04/23/10	8.04	
Pikula (1 weeknight working dinner meal @ Blackstone while working late)	04/23/10	12.21	
Pikula (1 weeknight working dinner meal @ Blackstone while working late)	04/24/10	12.00	
Pikula (1 weeknight working dinner meal @ Blackstone while working late)	04/26/10	11.38	
Pikula (1 weeknight working dinner meal @ Blackstone while working late)	04/27/10	25.00	
Pikula (1 weeknight working dinner meal @ Blackstone while working late)	04/28/10	20.59	
Pikula (1 weeknight working dinner meal @ Blackstone while working late)	04/29/10	25.00	
Pikula (1 weeknight working dinner meal @ Blackstone while working late)	04/30/10	25.00	
Pikula (1 weekend working lunch meal @ Blackstone)	05/01/10	7.62	
Pikula (1 weekend working dinner meal @ Blackstone)	05/01/10	18.29	
Pikula (1 weekend working dinner meal @ Blackstone)	05/02/10	25.00	
Pikula (1 weeknight working dinner meal @ Blackstone while working late)	05/03/10	23.34	
Pikula (1 weekend working dinner meal @ Blackstone)	05/04/10	23.97	
Schumacher (1 working lunch meal while traveling)	04/23/10	8.04	
Sperling (1 working breakfast meal while in Baltimore, MD)	06/23/10	10.50	
Sperling (1 working lunch meal while in Baltimore, MD)	06/23/10	25.83	
Sperling (1 weeknight working dinner meal @ Blackstone while working late)	06/24/10	25.00	
Subtotal - Employee Meals			648.50
<u>Lodging</u>			
Bonanno (1 day hotel stay in Baltimore, MD)	04/22/10 - 04/23/10	207.93	
Subtotal - Lodging			207.93
<u>External Research - Dow Jones</u>			
Pikula (online data research)	05/30/10 - 06/05/10	300.82	
Pikula (online data research)	06/13/10 - 06/19/10	639.78	
Subtotal - External Research - Dow Jones			940.60
<u>External Research - Reuters</u>			
Pikula (online data research)	06/06/10 - 06/12/10	71.90	
Pikula (online data research)	06/13/10 - 06/19/10	114.10	
Yamamoto (online data research)	05/30/10 - 06/05/10	183.76	
Yamamoto (online data research)	06/06/10 - 06/12/10	26.19	
Yamamoto (online data research)	06/13/10 - 06/19/10	57.05	
Yamamoto (online data research)	06/20/10 - 06/26/10	86.06	
Subtotal - External Research - Reuters			539.06
Total Expenses		\$	5,202.91

BLACKSTONE ADVISORY PARTNERS L.P.
SUMMARY OF HOURS FOR THE PERIOD OF
JUNE 1, 2010 THROUGH JUNE 30, 2010

Professional	Title	Hours
David Bradley	Senior Managing Director	38.5
Jamie O'Connell	Managing Director	29.0
Patrick Schumacher	Managing Director	73.0
Chris Yamamoto	Associate	141.0
Jonathan Kaufman	Associate	25.1
Michael Sperling	Analyst	30.5
Alexander Lambert	Analyst	25.5
Katie Wu	Analyst	111.0
Nikola Pikula	Analyst	124.0
Total		<u>597.6</u>

BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
JUNE 1, 2010 THROUGH JUNE 30, 2010

Professional	Date	Hours	Category	Explanation
Chris Yamamoto	06/01/10	6.0	Business Analysis	Draft presentation regarding business analysis
David Bradley	06/01/10	3.0	Business Analysis	6/3 meeting prep
Nikola Pikula	06/01/10	10.0	Business Analysis	Analysis of comparable companies / financial modeling
Patrick Schumacher	06/01/10	0.5	Business Analysis	Prep call with management for 6/3/10 meeting
Chris Yamamoto	06/02/10	8.0	Business Analysis	Draft presentation regarding business analysis
Nikola Pikula	06/02/10	9.0	Business Analysis	Analysis of comparable companies / financial modeling
Chris Yamamoto	06/03/10	1.5	Business Analysis	Meeting with management
David Bradley	06/03/10	1.5	Business Analysis	Meeting with management
Jamie O'Connell	06/03/10	0.6	Business Analysis	Internal status meeting
Jonathan Kaufman	06/03/10	0.6	Business Analysis	Internal status meeting
Nikola Pikula	06/03/10	2.5	Business Analysis	Analysis of comparable companies / financial modeling
Patrick Schumacher	06/03/10	1.5	Business Analysis	Meeting with management
Chris Yamamoto	06/04/10	1.0	Business Analysis	Modeling call with Michael Brown
Nikola Pikula	06/04/10	4.5	Business Analysis	Analysis of comparable companies / financial modeling
Patrick Schumacher	06/04/10	1.0	Business Analysis	Modeling call with Michael Brown
Katie Wu	06/05/10	9.0	Business Analysis	Analysis of comparable companies / financial modeling
Nikola Pikula	06/05/10	8.5	Business Analysis	Analysis of comparable companies / financial modeling
Chris Yamamoto	06/06/10	5.0	Business Analysis	Analysis of comparable companies / financial modeling
Katie Wu	06/06/10	14.0	Business Analysis	Analysis of comparable companies / financial modeling
Nikola Pikula	06/06/10	7.0	Business Analysis	Analysis of comparable companies / financial modeling
Patrick Schumacher	06/06/10	12.0	Business Analysis	Review of financial analyses
Chris Yamamoto	06/07/10	6.0	Business Analysis	Analysis of comparable companies / financial modeling
Katie Wu	06/07/10	11.0	Business Analysis	Analysis of comparable companies / financial modeling
Nikola Pikula	06/07/10	5.0	Business Analysis	Analysis of comparable companies / financial modeling
Patrick Schumacher	06/07/10	3.0	Business Analysis	Review of draft presentation
Chris Yamamoto	06/08/10	5.0	Business Analysis	Analysis of comparable companies / financial modeling
Nikola Pikula	06/08/10	3.0	Business Analysis	Analysis of comparable companies / financial modeling
Chris Yamamoto	06/09/10	5.0	Business Analysis	Analysis of comparable companies / financial modeling
Katie Wu	06/09/10	4.0	Business Analysis	Analysis of comparable companies / financial modeling
Nikola Pikula	06/09/10	2.0	Business Analysis	Analysis of comparable companies / financial modeling
Chris Yamamoto	06/10/10	5.0	Business Analysis	Analysis of comparable companies / financial modeling
Chris Yamamoto	06/10/10	0.5	Business Analysis	Modeling call with Michael Brown
Katie Wu	06/10/10	2.0	Business Analysis	Analysis of comparable companies / financial modeling
Nikola Pikula	06/10/10	4.5	Business Analysis	Analysis of comparable companies / financial modeling
Chris Yamamoto	06/11/10	6.0	Business Analysis	Analysis of comparable companies / financial modeling
Katie Wu	06/11/10	3.0	Business Analysis	Analysis of comparable companies / financial modeling
Nikola Pikula	06/11/10	5.0	Business Analysis	Analysis of comparable companies / financial modeling
Chris Yamamoto	06/13/10	5.0	Business Analysis	Analysis of comparable companies / financial modeling
Katie Wu	06/13/10	8.5	Business Analysis	Analysis of comparable companies / financial modeling
Nikola Pikula	06/13/10	10.0	Business Analysis	Analysis of comparable companies / financial modeling
Katie Wu	06/14/10	11.0	Business Analysis	Analysis of comparable companies / financial modeling
Nikola Pikula	06/14/10	8.0	Business Analysis	Analysis of comparable companies / financial modeling

BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
JUNE 1, 2010 THROUGH JUNE 30, 2010

Professional	Date	Hours	Category	Explanation
Chris Yamamoto	06/15/10	6.0	Business Analysis	Analysis of comparable companies / financial modeling
Katie Wu	06/15/10	6.0	Business Analysis	Analysis of comparable companies / financial modeling
Nikola Pikula	06/15/10	12.0	Business Analysis	Analysis of comparable companies / financial modeling
Patrick Schumacher	06/15/10	12.0	Business Analysis	Review of presentation materials
Chris Yamamoto	06/16/10	8.0	Business Analysis	Analysis of comparable companies / financial modeling
Katie Wu	06/16/10	3.0	Business Analysis	Analysis of comparable companies / financial modeling
Nikola Pikula	06/16/10	10.0	Business Analysis	Analysis of comparable companies / financial modeling
Chris Yamamoto	06/17/10	6.0	Business Analysis	Draft presentation regarding business analysis
Chris Yamamoto	06/17/10	1.5	Business Analysis	Preliminary business analysis review with management
David Bradley	06/17/10	1.5	Business Analysis	Preliminary business analysis review with management
Katie Wu	06/17/10	5.5	Business Analysis	Preliminary business analysis review with management
Nikola Pikula	06/17/10	7.0	Business Analysis	Analysis of comparable companies / financial modeling
Patrick Schumacher	06/17/10	1.5	Business Analysis	Preliminary business analysis review with management
Chris Yamamoto	06/18/10	6.0	Business Analysis	Draft presentation regarding business analysis
David Bradley	06/18/10	3.0	Business Analysis	Preparation for meeting regarding business analysis
Katie Wu	06/18/10	5.0	Business Analysis	Analysis of comparable companies / financial modeling
Nikola Pikula	06/18/10	6.0	Business Analysis	Analysis of comparable companies / financial modeling
Chris Yamamoto	06/19/10	3.0	Business Analysis	Draft presentation regarding business analysis
Katie Wu	06/19/10	4.0	Business Analysis	Analysis of comparable companies / financial modeling
Nikola Pikula	06/19/10	3.0	Business Analysis	Analysis of comparable companies / financial modeling
Chris Yamamoto	06/20/10	10.0	Business Analysis	Analysis of comparable companies / financial modeling
Katie Wu	06/20/10	6.5	Business Analysis	Analysis of comparable companies / financial modeling
Nikola Pikula	06/20/10	7.0	Business Analysis	Analysis of comparable companies / financial modeling
Patrick Schumacher	06/20/10	12.0	Business Analysis	Review of presentation materials
Chris Yamamoto	06/21/10	1.5	Business Analysis	Meeting with management
Chris Yamamoto	06/21/10	6.0	Business Analysis	Revisions to draft presentation regarding business analysis
David Bradley	06/21/10	1.5	Business Analysis	Meeting with management
Jonathan Kaufman	06/21/10	1.5	Business Analysis	Conference call with management regarding presentation
Katie Wu	06/21/10	8.0	Business Analysis	Analysis of comparable companies / financial modeling
Michael Sperling	06/21/10	1.5	Business Analysis	Conference call with management regarding presentation
Patrick Schumacher	06/21/10	1.5	Business Analysis	Meeting with management
Chris Yamamoto	06/22/10	5.0	Business Analysis	Revisions to draft presentation regarding business analysis
Chris Yamamoto	06/22/10	5.0	Business Analysis	Revisions to draft presentation regarding business analysis
Alexander Lambert	06/23/10	2.0	Business Analysis	Meeting with M. Brown re: financial model update
Chris Yamamoto	06/25/10	3.0	Business Analysis	Analysis with respect to tax attributes
Katie Wu	06/25/10	0.5	Business Analysis	Analysis with respect to tax attributes
Chris Yamamoto	06/28/10	4.0	Business Analysis	Preparation for meeting regarding business analysis
David Bradley	06/28/10	2.0	Business Analysis	Review of presentation materials
David Bradley	06/28/10	4.0	Business Analysis	Preparation for meeting regarding business analysis
Patrick Schumacher	06/28/10	6.0	Business Analysis	Preparation for meeting regarding business analysis
Chris Yamamoto	06/29/10	1.5	Business Analysis	Attend meeting regarding business analysis presentation
David Bradley	06/29/10	1.5	Business Analysis	Attend meeting regarding business analysis presentation

**BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
JUNE 1, 2010 THROUGH JUNE 30, 2010**

Professional	Date	Hours	Category	Explanation
Katie Wu	06/29/10	1.5	Business Analysis	Attend meeting regarding business analysis presentation
Patrick Schumacher	06/29/10	1.5	Business Analysis	Attend meeting regarding business analysis presentation
		<u>423.7</u>		

BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
JUNE 1, 2010 THROUGH JUNE 30, 2010

Professional	Date	Hours	Category	Explanation
Michael Sperling	06/02/10	0.4	Claims Analysis Objection/Resolution	Call w/ S. Scarlis and BMC re: claims analysis
Michael Sperling	06/02/10	1.7	Claims Analysis Objection/Resolution	Claims analysis
Alexander Lambert	06/03/10	0.5	Claims Analysis Objection/Resolution	Call w/ S. Scarlis and BMC re: claims analysis
Michael Sperling	06/03/10	0.5	Claims Analysis Objection/Resolution	Call w/ S. Scarlis and BMC re: claims analysis
Michael Sperling	06/03/10	2.2	Claims Analysis Objection/Resolution	Claims analysis
Jamie O'Connell	06/04/10	0.2	Claims Analysis Objection/Resolution	Claims analysis
Michael Sperling	06/04/10	0.2	Claims Analysis Objection/Resolution	Call w/ S. Scarlis re: claims analysis
Michael Sperling	06/04/10	1.3	Claims Analysis Objection/Resolution	Claims analysis
		<u>7.0</u>		

**BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
JUNE 1, 2010 THROUGH JUNE 30, 2010**

Professional	Date	Hours	Category	Explanation
Jamie O'Connell	06/03/10	0.2	Committee	Prepare materials for committee distribution
Jamie O'Connell	06/03/10	1.0	Committee	Conference call with management and Capstone regarding financial results
Jonathan Kaufman	06/03/10	1.0	Committee	Conference call with management and Capstone regarding financial results
Michael Sperling	06/03/10	1.0	Committee	Conference call with management and Capstone regarding financial results
Jamie O'Connell	06/07/10	0.1	Committee	Call regarding pension motion
Jamie O'Connell	06/08/10	0.1	Committee	Call with M. Shelnitz regarding committee matter
Jonathan Kaufman	06/08/10	0.1	Committee	Call with M. Shelnitz regarding committee matter
Jamie O'Connell	06/10/10	0.2	Committee	Call with committee advisors regarding pension motion
Jonathan Kaufman	06/10/10	0.2	Committee	Call with committee advisors regarding pension motion
Michael Sperling	06/10/10	0.2	Committee	Call with committee advisors regarding pension motion
Jamie O'Connell	06/22/10	0.5	Committee	Correspondence to committee advisors regarding AON study
Jamie O'Connell	06/22/10	0.2	Committee	Correspondence to J. Forgach regarding committee information request
Jamie O'Connell	06/22/10	0.1	Committee	Correspondence to J. Sinclair regarding committee information request
Jamie O'Connell	06/25/10	0.2	Committee	Correspondence regarding committee information request
		<u>5.1</u>		

BLACKSTONE ADVISORY PARTNERS L.P.
 HOURLY DETAILS FOR THE PERIOD OF
 JUNE 1, 2010 THROUGH JUNE 30, 2010

Professional	Date	Hours	Category	Explanation
Jamie O'Connell	06/03/10	0.1	Employee Benefits/Pension	Call with R. Higgins regarding pension motion
		<u>0.1</u>		

BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
JUNE 1, 2010 THROUGH JUNE 30, 2010

Professional	Date	Hours	Category	Explanation
Jamie O'Connell	06/04/10	0.3	Fee Applications	Review May fee statement
Jamie O'Connell	06/22/10	0.4	Fee Applications	Review May fee statement
Jamie O'Connell	06/25/10	0.3	Fee Applications	Review May fee statement
		<u>1.0</u>		

BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
JUNE 1, 2010 THROUGH JUNE 30, 2010

Professional	Date	Hours	Category	Explanation
Jamie O'Connell	06/01/10	1.5	Financing	Conference call with management and counsel regarding exit financing
Jonathan Kaufman	06/01/10	1.5	Financing	Conference call with management and counsel regarding exit financing
Alexander Lambert	06/02/10	3.5	Financing	Term Loan covenant comparables
Jonathan Kaufman	06/02/10	1.0	Financing	Exit financing comp analysis
Michael Sperling	06/02/10	2.0	Financing	Exit financing comp analysis
Alexander Lambert	06/03/10	4.2	Financing	Term Loan covenant comparables
Michael Sperling	06/03/10	3.8	Financing	Term Loan covenant comparables
Michael Sperling	06/03/10	0.6	Financing	Covenant analysis
Alexander Lambert	06/04/10	0.3	Financing	Internal team meeting to review analysis
Alexander Lambert	06/04/10	5.5	Financing	Term Loan covenant comparables
Jamie O'Connell	06/04/10	0.3	Financing	Internal team meeting to review analysis
Jamie O'Connell	06/04/10	0.2	Financing	Call with E. Filon regarding exit financing
Jonathan Kaufman	06/04/10	0.3	Financing	Internal team meeting to review analysis
Jonathan Kaufman	06/04/10	0.2	Financing	Call with E. Filon regarding exit financing
Jonathan Kaufman	06/04/10	0.4	Financing	Review covenant analysis with internal team
Jonathan Kaufman	06/04/10	2.3	Financing	Term Loan covenant comparables
Jonathan Kaufman	06/04/10	1.0	Financing	Term Loan covenant comparables
Michael Sperling	06/04/10	0.3	Financing	Internal team meeting to review analysis
Michael Sperling	06/04/10	4.2	Financing	Term Loan covenant comparables
Michael Sperling	06/04/10	1.3	Financing	Covenant analysis
Michael Sperling	06/04/10	0.4	Financing	Review covenant analysis with internal team
Jamie O'Connell	06/07/10	0.4	Financing	Status meeting with J. Kaufman
Jonathan Kaufman	06/07/10	0.4	Financing	Status meeting with J. O'Connell
Jamie O'Connell	06/08/10	2.0	Financing	Call with E. Filon and Blackstone team regarding exit financing term sheet
Jamie O'Connell	06/08/10	0.3	Financing	Review financial analysis
Jamie O'Connell	06/08/10	0.3	Financing	Call with management and counsel regarding exit financing
Jonathan Kaufman	06/08/10	2.0	Financing	Call with E. Filon and Blackstone team regarding exit financing term sheet
Michael Sperling	06/08/10	2.0	Financing	Call with E. Filon and Blackstone team regarding exit financing term sheet
Jamie O'Connell	06/09/10	1.1	Financing	Call with E. Filon and Blackstone team regarding exit financing term sheet
Jamie O'Connell	06/09/10	0.2	Financing	Review of financing analysis
Jamie O'Connell	06/09/10	1.5	Financing	Call with E. Filon and Kirkland regarding exit financing term sheet
Jonathan Kaufman	06/09/10	1.1	Financing	Call with E. Filon and Blackstone team regarding exit financing term sheet
Jonathan Kaufman	06/09/10	0.2	Financing	Review of financing analysis
Michael Sperling	06/09/10	1.1	Financing	Call with E. Filon and Blackstone team regarding exit financing term sheet
Michael Sperling	06/09/10	0.2	Financing	Review of financing analysis
Jamie O'Connell	06/11/10	3.0	Financing	Call with management and counsel regarding exit financing
Jonathan Kaufman	06/11/10	1.2	Financing	Call with management and counsel regarding exit financing
Jonathan Kaufman	06/11/10	0.2	Financing	Follow-up call with E. Filon regarding exit financing
Michael Sperling	06/11/10	1.2	Financing	Call with management and counsel regarding exit financing
Michael Sperling	06/11/10	3.0	Financing	Follow-up call with E. Filon regarding exit financing
Jamie O'Connell	06/15/10	0.2	Financing	Correspondence regarding draft exit financing term sheet

**BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
JUNE 1, 2010 THROUGH JUNE 30, 2010**

Professional	Date	Hours	Category	Explanation
Jonathan Kaufman	06/15/10	0.2	Financing	Correspondence regarding draft exit financing term sheet
Jamie O'Connell	06/17/10	0.9	Financing	Analysis of recent note issuances
Jonathan Kaufman	06/17/10	3.0	Financing	Analysis of recent note issuances
Jonathan Kaufman	06/18/10	1.0	Financing	Conference call with management and counsel regarding exit financing
Jamie O'Connell	06/23/10	2.0	Financing	Meetings/conference calls at Grace regarding exit financing
Jonathan Kaufman	06/23/10	2.0	Financing	Meetings/conference calls at Grace regarding exit financing
Jamie O'Connell	06/24/10	0.7	Financing	Conference call with management regarding draft financing presentation
Alexander Lambert	06/25/10	1.0	Financing	Internal team meeting to review rating agency presentation
Jamie O'Connell	06/25/10	1.0	Financing	Internal team meeting to review rating agency presentation
Jonathan Kaufman	06/25/10	1.0	Financing	Internal team meeting to review rating agency presentation
Michael Sperling	06/25/10	1.0	Financing	Internal team meeting to review rating agency presentation
Alexander Lambert	06/30/10	2.0	Financing	Conference call with management and counsel regarding exit financing
Jamie O'Connell	06/30/10	2.0	Financing	Correspondence regarding draft exit financing term sheet
Jonathan Kaufman	06/30/10	2.0	Financing	Conference call with management and counsel regarding exit financing
		<u>76.2</u>		

**BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
JUNE 1, 2010 THROUGH JUNE 30, 2010**

Professional	Date	Hours	Category	Explanation
Chris Yamamoto	06/03/10	3.0	Non-Working Travel Time	Travel to Grace (Maryland)
Chris Yamamoto	06/03/10	3.0	Non-Working Travel Time	Travel from Grace (Maryland)
David Bradley	06/03/10	3.0	Non-Working Travel Time	Travel to Grace (Maryland)
David Bradley	06/03/10	3.0	Non-Working Travel Time	Travel from Grace (Maryland)
Patrick Schumacher	06/03/10	3.0	Non-Working Travel Time	Travel to Grace (Maryland)
Patrick Schumacher	06/03/10	3.0	Non-Working Travel Time	Travel from Grace (Maryland)
Chris Yamamoto	06/21/10	3.0	Non-Working Travel Time	Travel to Grace (Maryland)
Chris Yamamoto	06/21/10	3.0	Non-Working Travel Time	Travel from Grace (Maryland)
David Bradley	06/21/10	3.0	Non-Working Travel Time	Travel to Grace (Maryland)
David Bradley	06/21/10	3.0	Non-Working Travel Time	Travel from Grace (Maryland)
Patrick Schumacher	06/21/10	3.0	Non-Working Travel Time	Travel to Grace (Maryland)
Patrick Schumacher	06/21/10	3.0	Non-Working Travel Time	Travel from Grace (Maryland)
Alexander Lambert	06/23/10	3.0	Non-Working Travel Time	Travel to Grace's offices in Maryland
Alexander Lambert	06/23/10	3.5	Non-Working Travel Time	Travel from Grace's offices in Maryland
Jamie O'Connell	06/23/10	3.0	Non-Working Travel Time	Travel to Grace's offices in Maryland
Jamie O'Connell	06/23/10	3.5	Non-Working Travel Time	Travel from Grace's offices in Maryland
Chris Yamamoto	06/29/10	5.0	Non-Working Travel Time	Travel to off-site meeting
Chris Yamamoto	06/29/10	3.5	Non-Working Travel Time	Travel from off-site meeting
David Bradley	06/29/10	5.0	Non-Working Travel Time	Travel to off-site meeting
David Bradley	06/29/10	3.5	Non-Working Travel Time	Travel from off-site meeting
Katie Wu	06/29/10	5.0	Non-Working Travel Time	Travel to off-site meeting
Katie Wu	06/29/10	3.5	Non-Working Travel Time	Travel from off-site meeting
Patrick Schumacher	06/29/10	5.0	Non-Working Travel Time	Travel to off-site meeting
Patrick Schumacher	06/29/10	3.5	Non-Working Travel Time	Travel from off-site meeting
		<u>83.0</u>		

**BLACKSTONE ADVISORY PARTNERS L.P.
HOURLY DETAILS FOR THE PERIOD OF
JUNE 1, 2010 THROUGH JUNE 30, 2010**

Professional	Date	Hours	Category	Explanation
Jamie O'Connell	06/01/10	0.4	Plan and Disclosure Statement	Company status update call with advisors on Plan issues
Jonathan Kaufman	06/01/10	0.4	Plan and Disclosure Statement	Company status update call with advisors on Plan issues
Michael Sperling	06/01/10	0.4	Plan and Disclosure Statement	Company status update call with advisors on Plan issues
Jonathan Kaufman	06/08/10	0.3	Plan and Disclosure Statement	Call with management, counsel re: POR and motions pending
		<u>1.5</u>		